

Seattle City Light's Rate Fact Sheet

- Seattle City Light has about 400,000 customers.
- Nationwide, the average rate per kilowatt-hour in 2007, (the most recent year available for national statistics) for residential users was 10.65 cents. In Seattle, the rate was 6.32 cents.

Average cents per kWh for residential customers and for neighboring utilities (unaudited)

Residential average rate: cents per kWh

| Year | Seattle City Light | Tacoma | Snohomish | Puget Sound Energy | Portland |
|-------|--------------------|--------|-----------|--------------------|----------|
| 2000* | 4.55 | 4.43 | 5.32 | 6.17 | 6.06 |
| 2001* | 6.21 | 6.03 | 7.02 | 6.28 | 6.60 |
| 2002 | 6.90 | 5.94 | 7.98 | 6.32 | 8.03 |
| 2003 | 6.75 | 6.13 | 7.82 | 6.17 | 7.82 |
| 2004 | 6.75 | 6.32 | 7.79 | 6.27 | 8.01 |
| 2005 | 6.62 | 6.59 | 7.80 | 6.69 | 8.09 |
| 2006 | 6.58 | 6.75 | 7.79 | 7.44 | 8.29 |
| 2007 | 6.32 | 6.73 | 7.81 | 8.75 | 9.22 |
| 2008 | 6.31 | 6.72 | 7.83 | 9.45 | 9.62 |

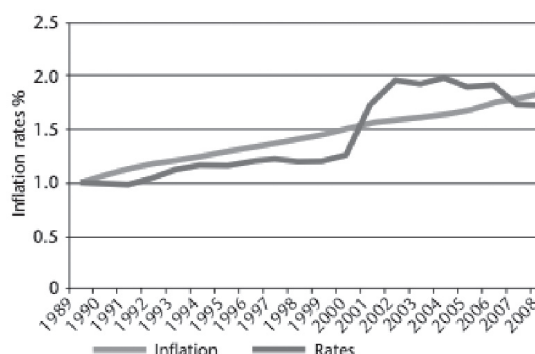
Source: data from each utility.

*West Coast energy crisis.

- City Light rates have decreased, on average, 12.1% since 2004.
- An average 8.4% decrease in rates was passed by the City Council for 2007 and 2008 and remains in effect. Some commercial and industrial customers realized a 17% decrease.
- Net wholesale revenues for 2009 decreased about \$70 million or 49% of what was projected.
- Retail (or customer) revenues have declined by \$11 million or 2% below projections.

20-year view: City Light average retail rates compared to inflation

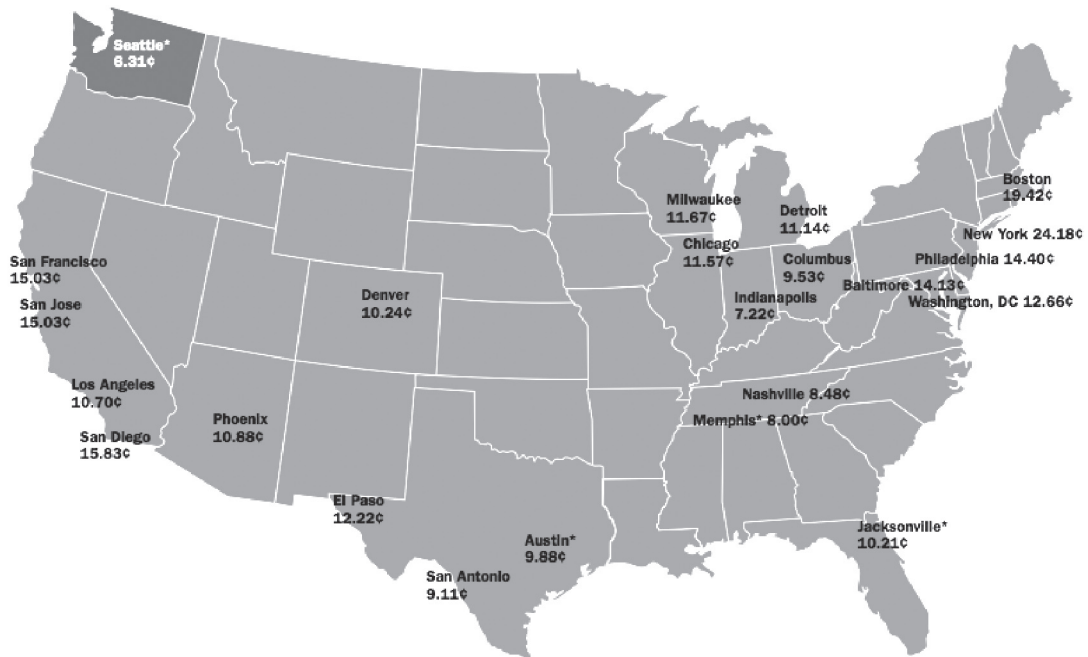
Retail rates have grown less than inflation over the last 30 years.



- Stringent budget reductions were taken in 2009: Operation & Maintenance (O&M) reduced by \$21 million or 11%; and Capital Improvement Projects (CIP) by \$43 million or 20%.
- There is a gap of about \$140 million in 2010 between anticipated revenues and anticipated expenditures. That gap has been reduced to about \$48 million in the current proposal.
- Inflation, increased wages and benefit costs, additional programs for service improvements, and expenses related to debt coverage have contributed to budget increases.
- City Light's rate and budget proposal for 2010 includes 59 net fulltime equivalent (FTE) reductions. These include both filled and vacant positions.

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23 largest U.S. cities' average residential rates per kWh for 2008



Source: Edison Electric Institute Typical Bills and Average Rates Report (Winter 2009).

*Public utilities data from each utility.